

Rodney A.. Juelfs

June 13<sup>th</sup>, 2006

Federal Trade Commission/Office of the Secretary, Room H-135 (Annex W)  
Re: Business Opportunity Rule, R511993  
600 Pennsylvania Ave, NW  
Washington, DC 20580

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Dear Sir or Madam:

I am writing to express my concern over the proposed Business Opportunity Rule, R511993. I can appreciate the FTC's responsibility to protect the public from fraudulent groups out there who are involved in "unfair and deceptive acts or practices", but I believe that the FTC's proposed rule could unfairly target legitimate Direct Selling Businesses. It could, in fact, prevent me from continuing as a Mannatech Distributor, as some of the sections in the proposed rule will make it extremely difficult, if not impossible, for me to sell Mannatech products.

Firstly, I find the proposed seven-day waiting period rule before I can enroll a new distributor, to be both cumbersome and misleading. This waiting period unfairly casts the direct selling plan in a negative light, implying that there might be unethical practices associated with the plan. Since integrity is a high priority with Mannatech and myself, I object to this implication. When people buy furniture, cars, electronic equipment etc, that cost much more than a Mannatech sales kit, they do not have to wait seven days before proceeding with the purchase. In addition, with this waiting period requirement, it will increase the amount of record keeping and administrative activities, as I will need to keep very detailed records of when I first communicated with a person about the Mannatech opportunity, and sending many reports to Mannatech head office. We have enough paperwork already without adding to that burden.

Secondly, the proposed requirement calls for the release of ALL information in regard to lawsuits that involve unfair or deceptive actions, or misrepresentation. What I find unfair about this is that it does not distinguish between winning and losing lawsuits. In this day and age when frivolous lawsuits abound, if a company was found innocent, it is put at an unfair disadvantage, even though **no fraudulent activity** was demonstrated. I strongly believe that this is not fair to Mannatech or myself. I can see that it would make sense to require disclosure in the event that a company was found guilty.

Lastly, I have great difficulty with the proposed rule that requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. In an age when identity theft is of great concern to almost every person, and rightly so, I am most disquieted about the idea of giving out personal information of individuals to strangers! I can see that a person being asked to sign an agreement that says that "If you buy a business opportunity from the seller, your contact information can be disclosed in the

future to other buyers” could prevent many people from signing. I know it would me! I am very protective of my personal information, and I respect the right of others to do the same. I think this rule would open up even more opportunities for “unfair and deceptive acts or practices” that the FTC is trying to prevent. Also, the additional burden that this ruling would place on Mannatech, and other direct selling businesses is unrealistic. In order to get the list of the 10 prior purchasers, I would need to send the address of the prospective purchase to Mannatech head office, and then wait for the list. Mannatech would have to send out **thousands of lists daily!**

Originally, when I became a Mannatech distributor, it was for the personal use of my family. However, as I have seen lives changed, our own included, and hope restored to so many people, I have chosen to pursue this with a greater passion. Now my family, and many individuals whom we are helping by supplying these nutritional products, depend on this additional income to provide for our needs. I believe that if this proposed FTC rule goes into effect as it is written, it will make it very difficult, if not impossible, for me to support my family, and friends, in this honest way.

I do understand the goal of the FTC to protect consumers. However, I believe that this proposed new rule has many far-reaching consequences beyond the intent of the original proposal, and that there must be a less cumbersome and fairer ways to accomplish its goal.

Sincerely,

Rodney A. Juelfs